

Wage Standards Division

The following are topics related to non-payment of wages or questions of when you should be receiving your wages.

- Commissions when does an employee get paid his/her commissions?
- **Damage Charges** can an employer make an employee pay for damages?
- Fired when is the wages to be paid if the employer fires or terminates an employee?
- Pay Dates how soon after the pay period ends are wages to be paid?
- Pay Frequency how often does an employer have to pay an employee?
- Quit when is the wage to be paid if an employee quits?
- Shorted Hours what does an employee do if the employer does not pay all wages?

How to File a Complaint for Unpaid Wages

Commissions:

In a commission arrangement, the employer sets the policy and terms under which commissions are earned and paid.

Section 388-7(1), HRS, requires every employer to notify the employer's employees in writing, at the time of hiring of the rate of pay (if paid by commissions, the commission agreement), and of the day, hour, and place of payment. As opined by the California's Division of Labor Standards Enforcement, the commission agreement should be "clear and unambiguous" as to how and when commissions are "earned." As it relates to Section 388-2, until those conditions as stipulated in the commission agreement are met, the commissions would not be considered "earned." However, once the conditions for earning a commission have been met, the earned commissions must be paid within seven days after the end of the pay period in which the commissions were earned.



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Damage Charges:

Section 388-6(5), Hawaii Revised Statutes, of the Payment of Wages and Other Compensation Law, provides that losses due to damage to property may not be borne by the employee if such losses are not attributable to the employee's willful or intentional disregard of the employer's interest.

An example of willful or intentional disregard would be if the employee admits that he/she intentionally damaged the property. The employer may deduct the cost of the loss provided the employer obtains a written authorization from the employee. However, if the employer requires the employee to bear the expense, the cost cannot reduce the employee's equivalent wages below the statutory minimum wage, currently at \$7.25 per hour.

Click on this link for types of deductions that are not allowed - <u>Illegal deductions</u>.



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Fired (Discharged, Terminated, or Laid Off - Employer Action):

Under Section 388-3(a), Hawaii Revised Statutes (HRS), Payment of Wages and Other Compensation Law, whenever an employer discharges an employee, the employer is required to pay all earned wages in full at the time of discharge, or not later than the next working day.



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Pay Dates:

Section 388-2(b), Hawaii Revised Statutes, of the Payment of Wages and Other Compensation Law, requires the employer to pay the employee all wages earned within seven days after the end of each pay period.



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Pay Frequency:

Under Section 388-2(a), Hawaii Revised Statutes (HRS), of the Payment of Wages and Other Compensation Law, every employer is required to pay wages to all employees at least twice during each calendar month, on regular paydays designated in advance by the employer.



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Quit (Resign, Job Abandonment - Employee Action):

Under Section 388-3(b), HRS, when an employee quits or resigns, the employer shall pay the employee's wages in full no later than the next regular pay day, except that if the employee gives at least one pay period's notice of intention to quit, the employer shall pay all wages earned at the time of quitting.



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Shorted Hours:

Chapters 387 and 388, HRS, requires that the employee shall be paid all wages for all hours worked. Under Section 388-5 if there is a dispute as to the amount of wages earned for the hours worked, the employer shall pay, without condition and within the time set by this chapter, all

wages, or parts thereof, conceded by the employer to be due, leaving to the employee all remedies the employee might otherwise be entitled to, including those provided under this chapter, as to any balance claimed.

Note: The acceptance by an employee of a partial payment shall not constitute a release or accord and satisfaction with respect to the disputed amount. Further, any release required by an employer as a condition to payment shall be in violation of these chapters and shall be null and void.



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Filing of a Complaint:

If an employee has not been paid all wages earned within seven days, the employee may file a written complaint for unpaid wages with our office.



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